

RECEIVED
BEFORE THE ARKANSAS SECURITIES COMMISSIONER
21 AUG -3 PM 3:41 CASE NO. S-21-0016

ARKANSAS SECURITIES DEPT.
IN THE MATTER OF:
MYCAPITALTRADEFX.COM;
BLINKOTRADE.COM;
FIDELITYFXTRADE.COM;
CLIMAXCAPITALFX.COM;
BITFX24.NET;
DIGITALTRADEMINE.NET;
CENTRALFXMARKETS.COM;
TRADERFXPRO247.COM;
FUNDITMARKETS.COM

RESPONDENTS

REQUEST FOR CEASE AND DESIST ORDER

The Staff of the Arkansas Securities Department ("Staff") has received information and has in its possession certain evidence indicating that MyCapitaltradeFX.com ("MyCapital"); Blinkotrade.com ("Blinko"); FidelityFXtrade.com ("FidelityFX"); Climaxcapitalfx.com ("Climax"); BitFX24.net ("BitFX"); Digitaltrademine.net ("Digital"); CentralFXmarkets.com ("CentralFX"); TraderFXpro247.com ("TraderFX"); and Funditmarkets.com ("Fundit") have violated provisions of the Arkansas Securities Act ("Act"), Ark. Code Ann. §§ 23-42-101 through 23-42-509.

ADMINISTRATIVE AUTHORITY

1. This matter is brought in connection with violations of the Act and is therefore properly before the Arkansas Securities Commissioner ("Commissioner") in accordance with Ark. Code Ann. § 23-42-209.

RESPONDENTS

2. MyCapital is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. MyCapital can be served through its Registrar, OwnRegistrar, Inc.,

at 1250 Broadway, Suite 3600, New York City, New York 10001. MyCapital can also be served through its Registry Registrant, Tech, and Admin, WhoisSecure, at 18 San Carlos Street, Los Angeles, California 94110. MyCapital can also be served at Cloudflare, Inc., at 101 Townsend Street, San Francisco, California 94107. MyCapital has never been registered with the Arkansas Securities Department (“Department”) in any capacity.

3. Blinko is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. Blinko can be served through its Registry Registrant and Admin, Privacy Protect, LLC, at 10 Corporate Drive, Burlington, Massachusetts 01803. Blinko can also be served through WhoGoHost, at 7127 SW 4th Rd, Gainesville, Florida 32607. Blinko has never been registered with the Department in any capacity.
4. FidelityFX is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. FidelityFX can be served at its Registry Registrant, Admin, and Tech Contact, Privacy Inc., at 96 Mowat Ave Toronto, Ontario, Canada M6K 3M1. Upon information and belief, FidelityFX can also be served at 66 Great Suffolk St., London SE1 OBL, United Kingdom, and at 2204 Jim Rose Lane, San Francisco, California 9413. FidelityFX can also be served at WebWeb.com, at 17800 Castleton St., Suite 135, Hacienda Heights, California 91745. FidelityFX has never been registered with the Department in any capacity.
5. Climax is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS, and from 11932 Hillbrook Dr., Houston, Texas 77070. Climax can be served with Jesse Jones, the Registry Registrant, Admin, and Tech, at UgbekeLayout, Ikeja, Lagos, Nigeria 10021. Climax can also be served at NameCheap, Inc., at 11400 W.

Olympic Blvd. Suite 200, Los Angeles, California 90064. Climax has never been registered with the Department in any capacity.

6. BitFX is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. BitFX can be served at its Registrar, OwnRegistrar, Inc., at 1250 Broadway, Suite 3600, New York City, New York 10001. BitFX can also be served through its Registry Registrant, Tech, and Admin, WhoisSecure, at 18 San Carlos Street, Los Angeles, California 94110. BitFX can also be served at ColoCrossing, at 325 Delaware Avenue, Suite 300, Buffalo, New York 14202. BitFX has never been registered with the Department in any capacity.
7. Digital is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. Digital can be served through its Registry Registrant, Admin, and Tech, Privacy Protect, LLC, at 10 Corporate Drive, Burlington, Massachusetts 01803. Digital can also be served through Hostinger International Ltd., at 61 Lordou Vironos Street, 6023 Larnaca, Cyprus. Digital has never been registered with the Department in any capacity.
8. CentralFX is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. CentralFX can be served through its Registry Registrant, Admin, and Tech, Privacy Protect, LLC, at 10 Corporate Drive, Burlington, Massachusetts 01803. Central can also be served with Olalekan Ajayi, at 3 Methodist Church St., Opebi, Ikeja, Nigeria. CentralFX has never been registered with the Department in any capacity.
9. TraderFX is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS. TraderFX can be served through its Registry Registrant, Admin, and Tech, Privacy Protect, LLC, at 10 Corporate Drive, Burlington, Massachusetts 01803.

TraderFX can also be served with Olalekan Ajayi, at 3 Methodist Church St., Opebi, Ikeja, Nigeria. TraderFX has never been registered with the Department in any capacity.

10. Fundit is an online entity claiming to do business from 156 Milton St., Walsall, United Kingdom WS41 5PS and 11932 Hillbrook Dr., Houston, Texas 77070. Fundit can be served at its Registrar, OwnRegistrar, Inc., at 1250 Broadway, Suite 3600, New York City, New York 10001. BitFX can also be served through its Registry Registrant, Tech, and Admin, WhoisSecure, at 18 San Carlos Street, Los Angeles, California 94110. Fundit can also be served at NameCheap, Inc., at 11400 W. Olympic Blvd. Suite 200, Los Angeles, California 90064. Fundit has never been registered with the Department in any capacity.

FACTS SUPPORTING REQUEST FOR CEASE-AND-DESIST ORDER

11. The Respondents are engaging in illegal internet schemes to advertise, hype and sell fraudulent cryptocurrency and forex investments.
12. The Respondents' schemes are to offer different investment plans at various prices with a promise of high returns.
13. Not only do the Respondents share a similar scheme, but the websites also have similar layouts, design, customer testimonials, plans, and even similar contact addresses.
14. Upon review, the Staff discovered that there were no businesses located at 156 Milton St., Walsall, United Kingdom WS41 5PS. In fact, the Staff determined that the address is fake.
15. Upon review, the Staff discovered that there were no businesses located at 11932 Hillbrook Dr., Houston, Texas 77070.
16. The Staff's review of Department registration records found that the investment contracts offered by Respondents are not registered pursuant to the Act. Additionally, the Staff found

no record of filings evidencing a proof of an exemption in accordance with the Act, and no notice filings pursuant to federal law.

MYCAPITALTRADEFX.COM

17. MyCapital operates its business through an internet website available to the public at www.MyCapitaltradefx.com. MyCapital claims to give potential investors the best returns on their cryptocurrency and forex investments, as well as offering investors the best deals with huge profits on investments.
18. MyCapital's website displays testimonials from member investors who supposedly realized enormous profits by working with MyCapital; however, these testimonials are not supported by any material information or substantive facts.
19. In addition to forex and cryptocurrency trading, MyCapital also gives users access to CFD ("contracts for difference") trading, commodity trading, and indices trading.
20. Through its website, MyCapital holds itself out to be a registered Futures Commission Merchant ("FCM") and Retail Foreign Exchange Dealer ("RFED") with the Commodity Futures Trading Commission ("CFTC"), and a member of the National Futures Association ("NFA"), NFA# 0339678. After review, the Staff determined that MyCapital is not registered with the NFA in any capacity. Nor is MyCapital a member of the CFTC in any capacity.
21. In order to attract potential investors, MyCapital promises to provide users with a bonus on deposits that will help users trade on higher margins. In addition to the bonus, MyCapital claims that it will compensate investors if their account drops below zero through its negative balance protection.

22. On its website, MyCapital offers the following plans for potential investors to choose from:
- (a). The Starter Plan, that requires between \$300 - \$999 as an initial investment with a return of 50%.
 - (b). The Basic Plan, that requires between \$1,000 - \$9,999 as an initial investment with a return of 100%.
 - (c). The Premium Plan, that requires an initial investment of \$10,000 and above with a return of 250%.
23. However, when potential investors gain access to MyCapital, there are more plans to choose from with different investment requirements than what is shown on the MyCapital public website.
24. MyCapital also states that potential investors can invest as low as \$200 and start earning a daily profit up to 1.2% per hour.
25. MyCapital was brought to the Staff's attention in April 2021, when a complaint was forwarded to the Department from the National Futures Association ("NFA").
26. According to the complaint, Arkansas Resident (AR1) was solicited to invest through MyCapital from an online social media account using the name Teri Ijeoma ("Ijeoma") beginning in December 2020. The account claimed that Ijeoma was an MIT Alum and stock trader.
27. When soliciting AR1, Ijeoma promised him that he would get a 5% - 15% return on his investment. Specifically, Ijeoma told AR1 that a higher deposit of \$7,000 would be a better investment for a client but that the \$500 that AR1 invested could be worked with. Originally AR1 was going to invest \$50 but Ijeoma told him that the \$50 would not be helpful at all.

28. Ijeoma instructed AR1 that he needed to take his initial investment of \$500 and convert it into BitCoin using CashApp. After the conversion, AR1 was instructed to transfer it to a BitCoin wallet address provided by Ijeoma.
29. In addition to the transfer, AR1 provided Ijeoma with his name as it appeared on his ID and his CashApp account and routing number.
30. Ijeoma told AR1 that she would take care of trading in the account on behalf of AR1 but did not provide a means for AR1 to withdraw his earnings.
31. After persistence by AR1, Ijeoma told him that he needed to set up his withdrawal through BitCoin.
32. Through the month of December, Ijeoma provided constant updates about the performance of AR1's account. From AR1's viewpoint the account had increased in value due to Ijeoma's work trading for the account.
33. In addition to updates, Ijeoma responded to AR1's questions regarding investing and best practices, discussing upcoming "classes," and encouraging AR1 to increase his investment. At one point, AR1 was told that Ijeoma was trading in stocks and Forex on his behalf.
34. Ijeoma constantly encourage AR1 to invest more with her because "she might encounter problems later while taking trades."
35. On January 7, 2021, AR1 started the process to withdraw funds from the account and asked Ijeoma for her CashApp to pay her for efforts.
36. When Ijeoma asked why AR1 was initiating a withdrawal, AR1 told her that he had discovered that he was not speaking with the real Teri Ijeoma. AR1 found a post from the real Teri Ijeoma that was asking people to report the Ijeoma page that AR1 was talking to.

37. Believing that his gains were real, AR1 continued with the withdrawal process and tried to pay Ijeoma \$3,500 for the work put into the account.
38. A few days after that exchange, AR1 messaged Ijeoma seeking assistance because he had received an email stating that he cannot request a withdrawal while an ongoing trade was happening.
39. AR 1 then received an email from MyCapital stating that his account had been restricted as it was not up to the minimum balance of \$25,000 as required by the FDIC and SEC for day trading.
40. MyCapital provided ways for AR1 to reach the required \$25,000. He could make a one-time payment of \$24,500, or he could use his trade profit of \$13,500 to offset the cost, leaving \$11,000 owed.
41. When AR1 messaged Ijeoma regarding the email, she said that she believed that she took more day trades than what she was supposed to and forgot about a lot of things in effort to “build” AR1’s account.
42. AR1 started asking how to pay the \$11,000 and inquired into using the profits from the account, which then sat at \$14,380. Ijeoma told him that \$13,500 had already been used and that the legal minimum still must be met.
43. As discussions continued with Ijeoma about his account value and how to withdraw the funds, AR1 started to believe he was dealing with a scam.
44. AR1 told Ijeoma that he considered his \$500 investment lost and would not give her anymore.
45. Ijeoma tried to keep AR1 in the scam by offering to pay the \$11,000 fee from her own account and offering to return his \$500.

46. However, Ijeoma did not return AR1's \$500 and she did not deposit \$11,000 into his account.
47. In March 2021, Ijeoma attempted to reconnect with AR1. After several failed attempts, AR1 finally responded. Ijeoma stated that she has discovered a way that the two could get the \$11,000 without having to send it but a means to withdraw it. She suggested that AR1 download the Voyager app, which made it easier to purchase cryptocurrency.
48. Ijeoma instructed AR1 to link a bank account to the app, but when AR1 was unable to connect his bank to the app. Communication between the two goes silent. AR1 would then go onto file his complaint with NFA.
49. The Staff's investigation into MyCapital and Ijeoma found that Ijeoma was a fictitious online persona created and utilized by MyCapital to solicit investors over the internet.

BLINKOTRADE.COM

50. Staff's investigation of MyCapital led to an investigation of another online entity, Blinko.
51. Blinko operates its business through an internet website available to the public at www.blinkotrade.com. Blinko claims to be the fresh start for investors.
52. Blinko claims that it is "[f]orming the highest conceivable gain managing numerous trading mechanisms, is steadfast rational work, profoundly adequate veterans of distinctive outlines..."
53. Blinko states that potential investors need to make a minimum deposit of \$20. After the deposit, Blinko claims that investors do not need to do anything more as his/her investment will grow without them doing anything.
54. Blinko claims that it holds a Certificate of Incorporation of a Private Limited Company from the Registrar of Companies for England and Wales, certificate #12128084. The

certificate list Blinko's principal place of business as 32 Harrington Square Camden Town, London, United Kingdom NW1 2JN. It states that Blinko is owned by Kian Lawson.

55. Upon further research, the Staff determined that Blinko does not hold a certificate of incorporation and the certificate number belongs to a different company.
56. The Blinko website offers new members different investment plants that include:
 - (a). The Starter Plan that requires \$250 - \$4,000 for investment.
 - (b). The Advanced Plan that requires \$300 - \$5,000 for investment.
 - (c). The Business Plan that requires \$500 - \$10,000 for investment.
 - (d). The Premium Plan that requires \$800 - \$13,000 for investment.
57. When telling potential investors why they should choose Blinko, the website states that investors should "expect gain at the event according to the tariff policy."
58. Blinko's website displays testimonials from member investors who supposedly realized enormous profits by investing with Blinko; however, these testimonials are not supported by any material information or substantive facts.

FIDELITYFXTRADE.COM

59. Staff's investigation of MyCapital led to an investigation of another online entity, FidelityFX.
60. FidelityFX operates its business through an internet website available to the public at www.Fidelityfxtrade.com. Upon information and belief, FidelityFX also operates its business through www.Fidelityfx-trade.com. FidelityFX claims to have the best investment returns. According to its website, FidelityFX offers investors the best deals with its huge profits on investments.

61. FidelityFX states that it is a member of the National Futures Association (“NFA”), NFA #0339678.
62. After review, the Staff determined that FidelityFX is not registered with the NFA in any capacity.
63. FidelityFX states that investors need to create an account and deposit a minimum of \$200. After the deposit, a team of experts will help investors trade and make a profit for the investor using FidelityFX’s trusted system.
64. FidelityFX claims that over 90,000 traders have chosen FidelityFX as their broker and that FidelityFX has 15 years of experience in the forex industry.
65. FidelityFX’s website displays testimonials from member investors who supposedly realized enormous profits by investing with FidelityFX; however, these testimonials are not supported by any material information or substantive facts.
66. FidelityFX tells potential investors that its service makes trading profitable for everyone, boasting 90% trading profits.
67. The FidelityFX website offers new members the following investment plans:
 - (a). Starter Plan that requires \$200 - \$1,000 invested and would allow an investor to get 50% of the investment.
 - (b). Premium Plan that requires \$500 - \$10,000 and would allow an investor to get 100% of the investment.
 - (c). Diamond Plan that requires \$5,000 and above and would allow an investor to get 250% of the investment.

CLIMAXCAPITALFX.COM

68. Staff’s investigation of MyCapital led to an investigation of another online entity, Climax.

69. Climax operates its business through an internet website available to the public at www.climaxcapitalfx.com. Climax claims that it ensures adequate security of your investment and provide investors with daily updates. Climax states that it is a member of the National Futures Association (“NFA”), NFA# 0339678.
70. After review, the Staff determined that Climax is not registered with the NFA in any capacity.
71. Climax states that investors need to create an account and deposit a minimum of \$1,000. After the deposit, a team of experts will help investors trade and make a profit for the investors with Climax’s trusted system.
72. Climax claims that over 90,000 traders have chosen Climax as their broker, and that Climax has 15 years of experience in the forex industry.
73. Climax’s website displays testimonials from member investors who supposedly realized enormous profits by investing with Climax; however, these testimonials are not supported by any material information or substantive facts.
74. Climax tells potential investors that its service makes trading profitable for everyone, boasting 90% trading profits.
75. The Climax website offers new members the following investment plans:
- (a). Starter Plan that requires \$1,000 - \$9,999 invested and would allow an investor to get 50% of the investment.
 - (b). Premium Plan that requires \$10,000 - \$49,999 and would allow an investor to get 100% of the investment.
 - (c). Diamond Plan that requires \$50,000 and above and would allow an investor to get 250% of the investment.

BITFX24.NET

76. Staff's investigation of MyCapital led to an investigation of another online entity, BitFX.
77. BitFX operates its business through an internet website available to the public at www.bitfx24.net. BitFX claims to offer investors the best deals, with its huge profits on investments.
78. BitFX states that investors need to create an account and deposit a minimum of \$500. After the deposit, a team of experts will help investors trade and make a profit for the investors with BitFX's trusted system.
79. BitFX claims that over 90,000 traders have chosen BitFX as their broker, and that BitFX has 15 years of experience in the forex industry.
80. BitFX's website displays testimonials from member investors who supposedly realized enormous profits by investing with BitFX; however, these testimonials are not supported by any material information or substantive facts.
81. BitFX tells potential investors that its service makes trading profitable for everyone, boasting 90% trading profits.
82. The BitFX website offers new members the following investment plans:
 - (a). Starter Plan that requires \$500 - \$2,000 invested and would allow an investor to get 50% of the investment.
 - (b). Premium Plan that requires \$2,000 - \$5,000 and would allow an investor to get 100% of the investment.
 - (c). Diamond Plan that requires \$5,000 and above and would allow an investor to get 250% of the investment.

DIGITALTRADEMINE.NET

83. Staff's investigation of MyCapital led to an investigation of another online entity, Digital.
84. Digital operates its business through an internet website available to the public at www.digistaltrademine.net. Digital claims to offer investors the best deals, with huge profits on investments.
85. Digital states that investors need to create an account and deposit a minimum of \$200. After the deposit, a team of experts will help investors trade and make a profit for the investors with Digital's trusted system.
86. Digital claims that over 90,000 traders have chosen Digital as their broker, and that Digital has 15 years of experience in the forex industry.
87. Digital tells potential investors that its service makes trading profitable for everyone, boasting 90% trading profits.
88. Digital's website displays testimonials from member investors who supposedly realized enormous profits by investing with Digital; however, these testimonials are not supported by any material information or substantive facts.
89. The Digital website offers new members the following investment plans:
 - (a). Starter Plan that requires \$200 - \$1,000 invested and would allow an investor to get 50% of the investment.
 - (b). Premium Plan that requires \$500 - \$10,000 and would allow an investor to get 100% of the investment.
 - (c). Diamond Plan that requires \$5,000 and above and would allow an investor to get 250% of the investment.

CENTRALFXMARKETS.COM

90. Staff's investigation of MyCapital led to an investigation of another online entity, CentralFX.
91. CentralFX operates its business through an internet website available to the public at www.centralfxmarkets.com. CentralFX claims that it provides instant access to more than 100 assets of the world's leading companies.
92. CentralFX claims to have serviced over 10,000 clients, with 1,000 clients added this year and a 45% average profit increase.
93. The CentralFX website offers new members the following investment plans:
 - (a). The Bronze Plan, that requires a \$250 minimum investment.
 - (b). The Silver Plan, that requires a \$1,000 minimum investment.
 - (c). The Gold Plan, that requires a \$5,000 minimum investment.
94. Each investment plan increases the amount of leverage that one can trade on.
95. CentralFX's website displays testimonials from member investors who supposedly realized enormous profits by investing with CentralFX; however, these testimonials are not supported by any material information or substantive facts.

TRADERFXPRO247.COM

96. Staff's investigation of MyCapital led to an investigation of another online entity, TraderFX.
97. TraderFX operates its business through an internet website available to the public at www.traderfxpro.com. Upon information and research, the Staff believe that this is a modification of another URL "www.traderfxpro.com," which is no longer functioning. TraderFX states that it offers you the best deals with its huge profits on investments.

98. TraderFX's website displays testimonials from member investors who supposedly realized enormous profits by investing with TraderFX; however, these testimonials are not supported by any material information or substantive facts.
99. TraderFX claims that it is one of the best Forex and cryptocurrency brokers on the market, for traders all around the world. This statement is not supported by any material information or substantive fact.
100. TraderFX states that it offers potential investors access to CFD Trading, commodity trading, and indices trading.
101. The TraderFX website states that investors will receive a bonus on deposits to help them trade on higher margins.
102. TraderFX states that it is a member of the National Futures Association ("NFA"), NFA# 0339678. After review, the Staff determined that Trader is not registered with the NFA in any capacity.

FUNDITMARKETS.COM

103. Staff's investigation of MyCapital led to an investigation of another online entity, Fundit.
104. Fundit operates its business through an internet website available to the public at www.funditmarkets.com. Fundit claims to give investors the best returns on their cryptocurrency and forex investments. Fundit states that it is a member of the National Futures Association ("NFA"), NFA# 0339678. After review, the Staff determined that Fundit is not registered with the NFA in any capacity.
105. Fundit states that investors need to create an account and deposit a minimum of \$300. After the deposit, a team of experts will help investors trade and make a profit with Fundit's trusted system.

106. Fundit claims that over 90,000 traders have chosen Fundit as their broker and that Fundit has 15 years of experience in the forex industry.
107. Fundit tells potential investors that its service makes trading profitable for everyone, boasting 90% trading profits.
108. Fundit's website displays testimonials from member investors who supposedly realized enormous profits by investing with Fundit; however, these testimonials are not supported by any material information or substantive facts.
109. The Fundit website offers new members the following investment plans:
 - (a). Starter Plan that requires \$500 invested and would allow an investor to get 50% of the investment.
 - (b). Premium Plan that requires \$1,000 invested and would allow an investor to get 100% of the investment.
 - (c). Diamond Plan that requires \$10,000 invested and would allow an investor to get 250% of the investment.

APPLICABLE LAW

110. Ark. Code Ann. § 23-42-102(17)(A)(ii) defines "security" to include stocks.
111. Ark. Code Ann. § 23-42-102(17)(A)(xi) defines "security" to include investment contracts.
112. Ark. Code Ann. § 23-42-102(17)(A)(xvii) defines "security" to include any interest or instrument commonly known as a "security" or any certificate of interest or participation in, temporary or interim certificate for, guarantee of, or warrant or right to subscribe to or purchase, any "security."

113. Ark. Code Ann. § 23-42-102(3)(A) defines “broker-dealer” to mean any person engaged in the business of effecting transactions in securities for the account of others or for his or her own account.
114. Ark. Code Ann. § 23-42-301(a) states that it is unlawful for any person to transact business in Arkansas as a broker-dealer unless such person is registered under the Act.
115. Ark. Code Ann. § 23-42-102(9)(A) defines “investment adviser” to mean any person that, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing or selling securities, or that, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities.
116. Ark. Code Ann. § 23-42-301(c) states that it is unlawful for a person to transact business in this state as an investment adviser without first being registered pursuant to the Act.
117. Ark. Code Ann. § 23-42-501 states that it is unlawful for any person to offer or sell any security in this state unless: 1) it is registered under the Act; 2) the security or transaction is exempted under Ark. Code Ann. § 23-42-503 or § 23-42-504; or 3) it is a covered security.
118. Ark. Code Ann. § 23-42-507(2) states that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading.
119. Ark. Code Ann. § 23-42-507(3) states that it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to engage in any act,

practice, or course of business which operates or would operate as fraud or deceit upon any person.

120. Ark. Code Ann. § 23-42-209(a) states that whenever it appears to the Commissioner, upon sufficient grounds or evidence satisfactory to the commissioner, that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the Act, the Commissioner may summarily order the person to cease and desist from the act or practice.

CONCLUSIONS OF LAW

121. The investment plans offered by respondents to Arkansans and specifically the one offered by MyCapital to AR1, where investors would invest monetary value into an investment plan from which profits would be derived from the efforts of Respondents, were securities in the form of investment contracts under Ark. Code Ann. § 23-42-102(17)(A)(xi).
122. CFDs are defined as securities under federal law as a type of securities-based swap. Therefore, the CFDs offered by Respondents MyCapital and TraderFX are securities in the form of an interest or instrument commonly known as a security under Ark. Code Ann. § 23-42-102(17)(A)(xvii).
123. The stocks that Ijeoma reportedly was trading on behalf of AR1 are securities as under Ark. Code Ann. § 23-42-102(17)(A)(ii).
124. Respondents acted as broker-dealers under Ark. Code Ann. § 23-42-102(3)(A) by offering to trade on behalf of investors and by operating trading platforms for investors to open accounts and buy and sell stocks, funds, and other securities. Respondents violated Ark. Code Ann. § 23-42-301(a) by conducting business as broker-dealers in Arkansas without being registered pursuant to the Act.

125. Respondents MyCapital, FidelityFX, Climax, BitFX, Digital, and Fundit acted as investment advisers under Ark. Code Ann. § 23-42-102(9)(A) by offering to manage and trade accounts for investors in exchange for compensation. The listed above respondents violated Ark. Code Ann. § 23-42-301(c) by conducting business as an investment adviser in Arkansas without being registered with the Department pursuant to the Act.
126. Respondent MyCapital violated § 23-42-507(2) by claiming to be registered with the NFA and CFTC; by using a fictitious online persona, Ijeoma, to interact with AR1; by promising to give bonuses to investors; by claiming that MyCapital would compensate investors to prevent a negative balance; by using rules from CDIC and SEC to get AR1 to invest more money into his account; by providing fictitious reasons to not honor AR1's request to withdraw his money; and by suggesting that AR1 download the Voyager app in furtherance of the scheme.
127. Respondent Blinko violated § 23-42-507(2) by claiming to hold a Certificate of Incorporation of Private Limited Company from the Registrar of Companies for England and Wales.
128. Respondents FidelityFX, Climax, and Fundit violated § 23-42-507(2) by claiming to be registered with the NFA.
129. Respondent TraderFX violated § 23-42-507(2) by promising to give bonuses to investors and by claiming to be registered with the NFA.
130. Respondent MyCapital violated Ark. Code Ann. § 23-42-507(2) by making false and misleading statements of material fact and omitting to make statements made, in light of the circumstances under which they were made, not misleading, including but not limited to, promising guaranteed returns on investments; employing the use of supposed investor

testimonials while omitting to provide material facts necessary to support the profits claimed in the testimonials; and claiming that AR1's account had realized substantial growth.

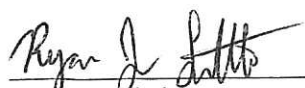
131. Respondent Blinko violated Ark. Code Ann. § 23-42-507(2) by claiming to be forming the highest conceivable gain managing numerous trading mechanisms and employing the use of supposed investor testimonials while omitting to provide material facts necessary to support the profits claimed in the testimonials.
132. Respondent FidelityFX violated Ark. Code Ann. § 23-42-507(2) by claiming to have the best investment returns; by claiming to offer investors the best deals with its huge profits on investments; by claiming that over 90,000 traders have chosen FidelityFX as their broker; by claiming to have over 15 years' experience in the forex industry; employing the use of supposed investor testimonials while omitting to provide material facts necessary to support the profits claimed in the testimonials; and by claiming that its services make trading profitable for everyone, boasting 90% trading profits.
133. Respondents Climax, BitFX, Digital, and Fundit violated Ark. Code Ann. § 23-42-507(2) by claiming to have over 15 years' experience in the forex industry; by claiming that its services make trading profitable for everyone, boasting 90% trading profits; employing the use of supposed investor testimonials while omitting to provide material facts necessary to support the profits claimed in the testimonials; and by claiming that over 90,000 traders have chosen the Respondents as their broker.
134. Respondent CentralFX violated Ark. Code Ann. § 23-42-507(2) by employing the use of supposed investor testimonials while omitting to provide material facts necessary to support the profits claimed in the testimonials.

135. Respondent TraderFX violated Ark. Code Ann. § 23-42-507(2) by employing the use of supposed investor testimonials while omitting to provide material facts necessary to support the profits claimed in the testimonials and by claiming to be one of the best Forex and Cryptocurrency brokers on the market, for traders all around the world.
136. Respondents violated Ark. Code Ann. § 23-42-507(3) by operating websites that published false and misleading statements for the purpose of soliciting investors. Specifically, Respondent MyCapital violated § 23-42-507(3) by utilizing a fake social media profile to solicit investors while making false and misleading statements about investment services, AR1's account, and the securities offered and sold by MyCapital.
137. The conduct, acts, and practices of Respondents threaten immediate and irreparable public harm. A cease and desist order is in the public's interest and is appropriate in accordance with Ark. Code Ann. § 23-42-209(a).

PRAYER FOR RELIEF

WHEREFORE, the Staff respectfully requests that the Commissioner summarily order Respondents to immediately cease and desist from offering and selling fraudulent, unregistered securities to the residents of Arkansas; acting as an unregistered broker-dealer in Arkansas; acting as an unregistered investment adviser; and committing fraud in the connection with the offer and sale of securities in Arkansas.

Respectfully Submitted,



Ryan J. Little
Staff Attorney
Arkansas Securities Department